



PRESS RELEASE

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The Riksbank's journal *Economic Review* discusses subjects related to central banking. This year's second issue is published today and contains four articles.

The authors of the article "RAMSES – a new general equilibrium model for monetary policy analysis" describe how the Riksbank's new macroeconomic model has been developed and how it is used to produce forecasts for the economy and inflation. RAMSES stands for the Riksbank's Aggregated Macro model for Studies of the Economy in Sweden. The model is in the scientific front line and based on the best econometric methods available. The article is written by Malin Adolfsson, Stefan Laséen, Jesper Lindé and Mattias Villani.

The articles "Increased competition and inflation" and "Flexible inflation targeting – how should central banks take the real economy into consideration?" by Magnus Jonsson and Stefan Palmqvist respectively make use of RAMSES in their analysis, providing further illustration of how this model can be used.

The article "Monetary policy in the new neoclassical synthesis – an introduction" by Marvin Goodfriend is aimed at increasing understanding of the approach that lies behind RAMSES. This article presents the basic fundamental features of the theories that form a basis for this and similar models. The article is published only in the Swedish version of the journal.

The article "Aspects of the relationship between monetary policy and unemployment" by Robert Boije and Karolina Holmberg looks at the role of monetary policy with regard to unemployment in Sweden. This article is published only in the English version of the journal.

The journal can be downloaded as a PDF file from the Riksbank's website by clicking on the links Published/Publications/Economic Review. It can also be ordered by e-mail, kontorsservicecenter@riksbank.se, fax +46-8-787 05 26 or telephone +46-8-787 00 00.